



# Finance Act 2013

## 2013 CHAPTER 29

### PART 3

#### ANNUAL TAX ON ENVELOPED DWELLINGS

##### *Reliefs*

#### **135 Non-qualifying occupation: look-forward and look-back**

- (1) Subsection (2) applies if on a day in a chargeable period (“the day of non-qualifying occupation”)—
  - (a) a single-dwelling interest to which a person (“the landlord”) is entitled is being exploited as mentioned in section 133(1)(a), or steps are being taken to secure that the interest will be so exploited, as mentioned in section 133(1)(b), and
  - (b) a non-qualifying individual is permitted to occupy the dwelling.
- (2) No subsequent day in that chargeable period, or in any of the subsequent 3 chargeable periods, that meets the continuity of ownership condition and would (in the absence of this subsection) be relievable by virtue of section 133(1)(b) is treated as relievable by virtue of that provision unless a day of qualifying use falls between that day and the day of non-qualifying occupation.
- (3) A day meets the continuity of ownership condition if on that day—
  - (a) the landlord is entitled to the single-dwelling interest, or
  - (b) if the landlord carried on or (as the case requires) intended to carry on the property rental business in partnership, another member of the partnership is entitled to the interest.
- (4) Subsection (5) applies if a person who is a non-qualifying individual in relation to a single-dwelling interest occupies the dwelling on a day in a chargeable period (“the day of non-qualifying occupation”).

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*Status: This is the original version (as it was originally enacted).*

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- (5) An earlier day in that or the preceding chargeable period (“the earlier day”) is not relievable by virtue of section 133(1)(b) or 134 if a relevant person is entitled to the single-dwelling interest on that day.
- (6) In subsection (5) “relevant person” means—
  - (a) a person who is entitled to the single-dwelling interest on the day of non-qualifying occupation, or
  - (b) if a person falling within paragraph (a) is or has been a member of a partnership whose members have at any time exploited the single-dwelling interest as a source of rents and receipts in a property rental business, any other member of that partnership.
- (7) Subsection (5) does not apply in relation to the earlier day if a day that is relievable by virtue of section 133(1)(a) falls between that earlier day and the day of non-qualifying occupation.
- (8) For the purposes of this section—
  - (a) “day of qualifying use”, in relation to a single-dwelling interest, means a day that is relievable in the case of the interest by virtue of section 133(1)(a);
  - (b) occupation of any part of a dwelling is regarded as occupation of the dwelling.